

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Escrow Agent Registration Act by:

Insure-Trades.com, Mohammad Younis,
Respondents.

Case Number S-04-047-04-TO01

STATEMENT OF CHARGES,
TEMPORARY ORDER TO CEASE AND
DESIST, AND NOTICE OF INTENT TO
IMPOSE FINES AND COLLECT COSTS

STATEMENT OF CHARGES

Please take notice that the Department of Financial Institutions of the State of Washington ("Department") has reason to believe that the Respondents, Insure-Trades.com and Mohammad Younis, have each violated the Escrow Agent Registration Act and that their violations justify the Department in entering an order under RCW 18.44.440 that they each cease and desist from such violations. The Department finds that delay in entering this order would result in irreparable harm to the public interest and that a Temporary Order to Cease and Desist should be entered immediately. The Department also has reason to believe that grounds exist for imposing fines against and collecting costs from Insure-Trades.com and Mohammad Younis.

The Department finds as follows:

TENTATIVE FINDINGS OF FACT

RESPONDENTS

1. Insure-Trades.com claims to provide online escrow services with an office located in Blacksburg, Virginia.

TEMPORARY ORDER TO CEASE AND DESIST,
STATEMENT OF CHARGES, AND NOTICE OF
INTENT TO IMPOSE FINES AND COLLECT COSTS

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 2. Mohammad Younis owns the Insure-Trades.com website and is the administrative and
2 technical contact for it.

3 3. Insure-Trades.com has a website, viewable to Washington residents, that holds out that it
4 will do business in Washington State.

5 MISREPRESENTATIONS AND OMISSIONS

6
7 4. Insure-Trades.com and/or Mohammad Younis have maintained a website that claims to
8 provide a “safe” means of transacting business and making certain payments over the Internet.
9 Specifically, Insure-Trades.com and/or Mohammad Younis have claimed to be a “trusted third
10 party that holds payment until a transaction is complete.” Insure-Trades.com and/or Mohammad
11 Younis claimed this ability in the context of business-to-business transactions, website domain
12 name registrations, online vehicle purchases, and other web-based transactions.

13 5. Insure-Trades.com and/or Mohammad Younis have claimed to have certain business
14 partnerships, affiliations, and investors that they do not and never have possessed. For instance,
15 the website has claimed the business is “backed by” Fidelity National Financial Inc., although it
16 has never had this relationship. The website has also claimed to be an affiliate of Internet
17 Escrow Services Inc., a California corporation principally located in Irvine, California, with its
18 own website at www.escrow.com. Internet Escrow Services Inc. has denied having any
19 relationship with Insure-Trades.com, which it claims has pirated their website.

20
21 6. Insure-Trades.com and/or Mohammad Younis have claimed to be licensed by several
22 states, including license #963-1867 from the California Department of Corporations and license
23 # 602-000-829 from the Washington State Department of Financial Institutions. Insure-
24 Trades.com does not carry either of these California or Washington licenses. In fact, # 602-000-
25

829 is not a Washington escrow license number; it is the Uniform Business Index for Internet Escrow Services Inc.

LICENSING STATUS

7. Insure-Trades.com and Mohammad Younis are not and never have been licensed with Washington State Department of Financial Institutions as escrow agents or officers.

EMERGENCY AND PUBLIC INTEREST

8. Based on the above Tentative Findings of Fact, the Department finds that delay in issuing an order will irreparably harm the public interest.

CONCLUSIONS OF LAW

1. Insure-Trades.com and/or Mohammad Younis constitute an “escrow agent” as defined in RCW 18.44.011.

2. The conduct described in the Tentative Findings of Fact is in violation of RCW 18.44.301(1) because Insure-Trades.com, Mohammad Younis, and/or their employees and agents have employed a scheme, device, or artifice to defraud or mislead borrowers, lenders, or other persons by claiming business affiliations and state licenses they do not have.

3. The conduct described in the Tentative Findings of Fact is in violation of RCW 18.44.301(2) because Insure-Trades.com, Mohammad Younis, and/or their employees and agents have engaged in an unfair or deceptive practice toward a person by claiming business affiliations and state licenses they do not have.

4. The conduct described in the Tentative Findings of Fact is in violation of RCW 18.44.301(4) because, in claiming business affiliations and state licenses it does not have, Insure-Trades.com, Mohammad Younis, and/or their employees or agents have knowingly made,

published, or disseminated false, deceptive, or misleading information in the conduct of escrow business, relating to escrow business, or relating to persons engaged in escrow business.

TEMPORARY ORDER TO CEASE AND DESIST

Based upon the foregoing:

NOW, THEREFORE, IT IS HEREBY ORDERED that Insure-Trades.com, Mohammad Younis, and their employees and agents each cease and desist from violating RCW 18.44.301(1), which prohibits schemes to defraud any person.

It is further ORDERED that Insure-Trades.com, Mohammad Younis, and their employees and agents each cease and desist from violating RCW 18.44.301(2), which prohibits unfair or deceptive practices toward any person.

It is further ORDERED that Insure-Trades.com, Mohammad Younis, and their employees and agents each cease and desist from violating RCW 18.44.301(4), which prohibits making, publishing, or distributing false, deceptive, or misleading escrow information.

CONTINUING INVESTIGATION

The Department is continuing to investigate the practices of the Respondents and their principals, employees, and agents to determine the full extent of the violations of the Escrow Agent Registration Act that have occurred in this matter.

NOTICE OF INTENT TO IMPOSE FINES AND COLLECT COSTS

Pursuant to RCW 18.44.440, and based on the above Tentative Findings of Fact and Conclusions of Law, the Department intends to ORDER that Insure-Trades.com and Mohammad

1 Younis shall be jointly liable for and shall (1) pay the Department a fine in the amount of \$9,000;
2 and (2) reimburse the Department \$500 for the costs of investigating this matter.
3

4 **AUTHORITY AND PROCEDURE**

5 This Order is entered pursuant to the provisions of RCW 18.44.301 and RCW 18.44.440
6 and is subject to the provisions of chapter 34.05 RCW. The respondents may make a written
7 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND
8 OPPORTUNITY FOR HEARING accompanying this order.
9


10 If a respondent does not request a hearing, the Department intends to adopt the above
11 Tentative Findings of Fact and Conclusions of Law as final, to make the temporary order to
12 cease and desist permanent, and to impose a \$9,000 fine against and to collect \$500 in costs from
13 that respondent.
14

15 DATED this 8th day of April, 2004.
16

17
18 

19 Deborah R. Bortner
20 Assistant Director
21 Department of Financial Institutions

22 Approved by:

23 
24 Michael E. Stevenson
25 Chief of Enforcement
26

Presented by:

27 
28 Andrew Ledbetter
Financial Legal Examiner